GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA

STARRED QUESTION NO:58
ANSWERED ON:27.04.2016
Financial Assistance to Urban Local Bodies
Tarai Smt. Rita

Will the Minister of URBAN DEVELOPMENT be pleased to state:

Will the MINISTER OF URBAN DEVELOPMENT be pleased to state:-

(a) the financial assistance provided to the Urban Local Bodies (ULBs) under various central programmes/schemes during the last three years, programme/schemes and year-wise

(b) whether Municipal Corporations and Municipal Councils in various States are facing financial crunch and if so, the details thereof, State-wise;

(c) whether the Government has provided or proposes to provide additional funds to Municipal Corporations and Municipal Councils and if so, the details thereof; and

(d) the details of urban development works likely to be undertaken by the said funds and the details of guidelines issued in this regard?

Answer

THE MINISTER OF URBAN DEVELOPMENT
(SHRI M. VENKAIAH NAIDU)

(a)to(d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO.58 FOR 27.4.2016 REGARDING FINANCIAL ASSISTANCE TO URBAN LOCAL BODIES

(a): Financial assistance under various ongoing schemes/programmes is released to State Governments and not to ULBs directly. Details are given at Annexure.

(b): Rapid urbanisation has generated stress on infrastructure and other resources in our cities. Most ULBs in our country have financial limitations due to limited revenue base and sources. Urban Development is a State subject and the details rest with respective States/ULBs.

(c): In addition to the funds under the various schemes / programmes of the Ministry, Rs.17,061 crores meant for ULBs were released by the Ministry of Finance as per the recommendations of the 13th & 14th Finance Commissions during the period 2013-2016. The 14th Finance Commission (FFC) has recommended grant of Rs. 87,144 crores for ULBs for the period 2015-2020.

(d): The additional funds which the 14th Finance Commission has recommended for devolution to the ULBs mandate that the urban local bodies should be required to spend the grants only on the basic services within the functions assigned to them under relevant legislations. The guidelines issued by the Ministry of Finance reiterate the recommendation of the FFC and provide details for modalities for release and monitoring of the grants.

Annexure
DETAILS OF FINANCIAL ASSISTANCE RELEASED UNDER ONGOING SCHEMES AND PROGRAMMES
(Rs. in crores)
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S.NO. Scheme / Programme Year Total
2013-14 2014-15 2015-16
1. SWACHH BHARAT MISSION NIL 859.48 1075.94 1939
2. ATAL MISSION FOR REJUVENATION AND URBAN TRANSFORMATION (AMRUT) / NURM NIL NIL 1979 1979
3. SMART CITIES NIL NIL 1469 1469
4. NATIONAL HERITAGE CITY DEVELOPMENT AND AUGMENTATION YOJANA (HRIDAY) NIL NIL NIL NIL
5. URBAN TRANSPORT PLANNING & CAPACITY BUILDING SCHEME 0.14 10.53 1.89 12.56
6. BUS FINANCE PROJECTS AND ANCILLARY INFRASTRUCTURE UNDER NURM 1152*
7. FINANCE COMMISSION GRANTS FOR ULBS 3949 6188 6924 17061
*Total for period of 2013-15 to 2015-16
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